



MONTANA
TELECOMMUNICATIONS
ASSOCIATION

March 25, 2004

Via electronic filing

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Notice of Public Rulemaking concerning *IP-Enabled Services* (WC Docket No. 04-36); Joint Board Recommended Decision concerning *Designation of Eligible Telecommunications Carriers* (CC Docket No. 96-45); Memorandum Opinion and Order and Further Notice of Proposed Rulemaking on *Intermodal Number Portability* (CC Docket No. 95-116)

Dear Ms. Dortch,

On March 22, members of the Montana Telecommunications Association (MTA) and I met with Commissioners and staff to discuss the above-referenced dockets. Attached are slides summarizing our discussions.

Members of the MTA delegation included:

- Conrad Eklund, General Manager of Southern Montana Telephone Company, Wisdom, MT. Mr. Eklund also serves as MTA's President of the Board of Directors;
- Bill Squires, Senior Vice President of Blackfoot Communications Group, Missoula, MT. Mr. Squires is MTA's Vice President of the Board;
- Curt Fleming, General Manager of Range Telephone Cooperative, Forsyth, MT;
- Darren Moser, General Manager of 3 Rivers Telephone Cooperative, Fairfield, MT.

We met with:

- Commissioner Kevin Martin and his advisors, Dan Gonzalez and Jason Williams;
- Matt Brill, legal advisor to Commissioner Abernathy;
- Commissioner Jonathan Adelstein and his legal advisor, Scott Bergmann;
- Jessica Rosenworcel, legal advisor to Commissioner Copps.

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On March 23, the same MTA delegation of executives met with Jeffrey Carlisle and staff of the Wireline Competition Bureau, including Anita Cheng, Steve Morris, Vicki Robinson, Rob Tanner, Mary Daley, and Jennifer McKee.

As the attached slides attest, MTA argued that if the Commission were to determine that voice over IP telephony is exempt from contributing to access or universal service funds, the Commission effectively would create an opportunity for regulatory and economic arbitrage which would lead to unsustainable pressure on the universal service fund, and threaten the viability of the public switched network, particularly in rural America.

MTA commended the Commission's *Virginia Cellular* Order and the Joint Board's *Recommended Decision* with regard to encouraging guidelines for applying more rigorous scrutiny of public interest ramifications of designating eligible telecommunications carriers (ETCs). MTA encouraged the Commission to be even more explicit in recommending that states and the Commission apply tougher standards to existing ETCs through an annual certification process. Further, the MTA delegation expressed concern that the Joint Board failed to address sufficiently the portability question. MTA believes that certification is problematic without a requirement that any ETC file tangible evidence (i.e., costs) that demonstrate that any universal service support actually is dedicated to the purposes for which it is intended.

Finally, MTA pointed out that the Commission's intermodal number portability rules are particularly burdensome for rural carriers to implement. Moreover, MTA expressed its concern that the Order requires portability regardless of whether a wireless carrier has an interconnection agreement. This "exemption" effectively encourages wireless carriers to avoid any number portability cost sharing arrangements. Additionally, MTA noted the Order's complete disassociation between cost causation and cost responsibility in which the costs to effect number portability are borne by those who do not port numbers.

Respectfully submitted,

Geoffrey A. Feiss, General Manager
Montana Telecommunications Association

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cc. Dan Gonzalez
Jason Williams
Matt Brill
Scott Bergmann
Jessica Rosenworcel
Jeffrey Carlisle
Anita Cheng
Rob Tanner
Jennifer McKee
Steve Morris
Vicki Robinson
Mary Daley